IMPACT OF CEOs' CORPORATE SOCIAL RESPONSIBILITY ORIENTATION AND ETHICAL STANDARDS ORIENTATION IN SOCIAL MEDIA ON FIRM PERFORMANCE

A

SYNOPSIS

SUBMITTED IN THE PARTIAL FULFILMENT FOR THE REQUIREMENT OF

DOCTOR OF PHILOSOPHY

IN

ACCOUNTANCY & LAW

Submitted By

Shivani Thakur

Under the supervision of

Prof. Nidhi Sharma
Supervisor
Department of Accountancy & Law
Faculty of Commerce
Dayalbagh Educational Institute

Prof. Arpan Kumar Kar
Co-Supervisor
Department of Management Studies
Indian Institute of Technology Delhi
Delhi, India

DEPARTMENT OF ACCOUNTANCY & LAW, FACULTY OF COMMERCE

DAYALBAGH EDUCATIONAL INSTITUTE (DEEMED UNIVERSITY)

DAYALBAGH, AGRA – 282005

2021

Introduction

"The term "Corporate Social Responsibility (CSR)" can be referred as corporate initiative to assess and take responsibility for the company's effects on the environment and impact on social welfare. The term generally applies to companies' efforts that go beyond what may be required by regulators or environmental protection groups. Corporate social responsibility may also be referred to as "corporate citizenship" and can involve incurring short-term costs that do not provide an immediate financial benefit to the company, but instead promote positive social environmental change."

ACTIVITIES COVERED UNDER SCHEDULE VII OF THE COMPANIES ACT 2013

- Ministry of Corporate Affairs vide its Notification dated 27th February, 2014 (which shall come into force with effect from 1st April, 2014) has come up with the modified Schedule VII which covers wide range of activities which can be undertaken by the Companies as a part of their CSR initiatives.
- The activities involve the following:
- Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water.
- Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries, promotion and development of traditional arts and handicrafts.

- Measures for the benefit of armed forces veterans, war widows and their dependents;
- Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
- Contribution to the Prime Ministers' National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- Contributions or funds provided to technology incubators located within academic institution which are approved by the Central Government;
- Rural development projects.
- The above-mentioned activities constitute the CSR activities and the companies which are covered under the provisions of Section 135 shall be required to carry out any one or more of the activities as specified above along with following its CSR Policy.

The Corporate Social Responsibility concept in India is governed by Section 135 of the Companies Act, 2013 and Rules made thereunder wherein the criteria has been provided for assessing the CSR eligibility of a company, Implementation and Reporting of their CSR Policies. India having the most elaborated CSR mechanism and implementation strategy has started its journey to set a benchmark in attaining sustainability goals and stakeholder activism in nation building **(Ministry of corporate affairs, 2019).**

Corporate social responsibility and social media

Corporate social responsibility communication and disclosure is helpful in building a positive reputation and product perceptions, achieve competitive success and has become an important expectation for stakeholders **(Araujo &Kollat, 2017)**. This study will investigate the impact of CSR messages (CSR related tweets posted by CEOs) on financial performance, customer satisfaction and online reputation of the firm. This study will also explore the impact of CEOs CSR communications strategies in social media (Twitter) on customer satisfaction, online reputation and financial performance of the firm. Ethical responsibility includes the behaviour of the firm that is expected by the society but not codified in the law. The factors of ethical responsibility include that the business

must be environmentally friendly. This research will explore the impact of CEOs ethical standards orientation on firm performance. Firms might be fulfilling social responsibility. This research is based on the assumption that discussion on CSR in social media are the social responsibilities of the CEOs. For this research, Fortune CEOs and Forbes Global CEOs will be considered. Every year Fortune magazine creates a list of Fortune 1000 companies, on the basis of the gross revenue figures available publicly. Similarly, Every year Forbes creates the list of world's largest 2000 companies. This research will study how Twitter is being used by the CEOs of Fortune 1000 companies (alias as Fortune CEOs) and Forbes Global 2000 CEOs for disclosures and communication related to CSR activities. Social networking sites, blogs, news boards, discussion forums, and other social media outlets are filled daily with discussion in reaction to major events in a corporation, such as shifts in its strategy, downsizing, handling of public policy, or related activity **(U.S chamber of commerce foundation, 2017).**

In this research, Twitter data will be used because of the following reasons. Firstly, twitter data can be accessed freely through Twitter application programming interface (API). Secondly, Twitter is one of the fastest growing social media and users in Twitter follow others, post, like and share their updates publicly, more frequently than that on other platforms like Facebook. Thirdly, user-generated content in Twitter is indexed in organic search results, and thus have higher visibility **(Grover, Kar & Ilavarasan, 2019).** Fourthly**,** Social media such as Twitter will be used as a platform for this research because with the help of blue verified badge on Twitter, we can easily find that an account of public interest (CEOs Twitter account) is authentic. It is difficult to find the authenticity of accounts available on various social media platforms such as Facebook and LinkedIn etc. Moreover, Twitter has an ability to foster dialogue and content diffusion. Twitter helps in sharing information and gathering advice from large groups of stakeholders with minima efforts. Twitter discussions also influence the users following popular profiles (e.g, politicians, actors, thought leaders etc.) visibility **(Grover, Kar & Ilavarasan, 2018).**

Corporate social responsibility and Customer satisfaction

Corporate social responsibility is argued to offer a number of business benefits such as maintaining the license to operate, efficiency gains, risk reduction and tax advantages etc. CSR is a demonstration of

equity or fairness. Equity theory focuses on fairness, rightness or deservedness judgments individuals make in reference to what one party or another receives. If a party feels equitably treated, satisfaction is the result. Equity is best demonstrated with customers, as they are one of the most important stakeholders and have significant interactions with firms on a regular basis. Demonstration of equity to customers through CSR increases their satisfaction levels. Firms can engage in socially responsible practices such as ethical treatment of customers, improvement in product quality, CSR therefore positively impacts on customer satisfaction **(Galbreath &Shum, 2012).**CSR implies that companies have a moral obligation to the society in which they operate. Consumer consider companies CSR efforts when making purchasing decisions **(Aksak, Ferguson &Duman, 2015)**. Sustainability issues are becoming more important to customers as most of the customers are becoming aware of what they are buying. Therefore, sustainability issues are associated with customer satisfaction. Similarly, Ethical issues, price fairness, positive words of mouth, compliance with consumer protection laws and customer privacy laws are also associated with customer satisfaction and these are the predictors of customer satisfaction. Labelled items, fairness of service provision, avoidance of child-labour and fair-trade practices related to ethical CSR are predictors of customer satisfaction and directly associated with customer satisfaction.

Corporate social responsibility and financial performance

Significant number of studies have detected a positive association between the corporate social responsibility and financial performance. Satisfying the needs of different groups of stakeholders will result in enhanced financial performance **(Platonova, Asutay, Dixon& Mohammad, 2018).** The CSR offers number of business benefits, including maintaining the license to operate, risk reduction and tax advantages **(Galbreath & Shum, 2012).**CSR is a key factor in attaining economic goals. Many researches showed a positive association between CSR and financial performance of the firm. CSR has a positive association with monetary performance, personnel commitment and corporate integrity **(Saeidi& Sofian, 2015)**. A good CSR strategy may increase companies' sales, profitability, return on assets, return on investment, net profit margin, return on equity and market growth share etc.

According to neoclassical theory, good social performance and charitable donations can contribute to higher financial performance by either reducing costs or increasing revenues. Socially responsive

firms incur fewer direct cost and reap higher profits than socially unresponsive firms **(Brammer & Millingtom, 2008)**.

Corporate social responsibility and online reputation of the firm

Online reputation can be defined as reputation built from set of perceptions that stakeholders will create from any element circulating on social media. CSR messages on social media platforms had boosted online reputation of the firm. Online reputation is the image that stakeholders create a firm according to the information it transmits on its own social media platforms and other content available on the internet **(Dutot, Galvez & Versailles, 2016).** Using social media can allow CSR actions to demonstrate an organization's commitment and influence its online reputation. Online reputation is an intangible asset for the firms. Good online reputation increases customer satisfaction, loyalty and brand equity in customers. Good online reputation increases the potential of the firm to attract talented employees. Firms with good online reputation enjoys higher level of sales and profits. Actions like charitable giving, volunteers' programs, the promotion of women and minority subcontracting enhance corporate reputation with key stakeholders **(Bear, Rahman & Post, 2010)**.CSR practices may create and foster consumer beliefs that company adheres to high ethical standards and cares about the society's well-being, which in turn, positively impacts firm's online reputation **(Khojastehpour & Jhons, 2014)**.

CSR communication strategies

This research will also explore the impact of CEOs CSR communication strategies on customer satisfaction, online reputation and financial performance of the firm using social media analytics. According to Forbes report, CEOs are in a uniquely appropriate position to answer the consumer cry for business transparency on social media. Not only they can speak to the rationale behind business decisions and give a compelling behind the scenes perspective, they can also share insights on industry trends that inspire consumer trust and customer satisfaction **(Forbes, 2018)**. Twitter enables organizations to establish dialogues with stakeholders, previous research indicates that these dialogic features are seldom used. Communicating CSR on Twitter could have a positive impact on consumers evaluations that, in turn, influence the image and reputation of an organization **(Araujo &Kollat, 2017)**. There are three types of communication strategies broadcasting, engaging and reacting.

Broadcasting strategy is characterized by one-way communication with dissemination to an anonymous public on Twitter, or occasionally to individual accounts, to distribute specific information. The reacting strategy incorporates two-way communication with a reactive communication approach, which means answering questions and remarks on Twitter. Engaging strategy proactively approaches its two-way communication on Twitter. Hence, following this strategy implies engaging the audience by formulating questions and by mentioning other Twitter members frequently **(Etter, 2014)**.

Independent Variables

CEOs CSR orientation: The content analysis will be performed using topic modelling. The content of each topic will be categorized as to whether or not it was about CSR. This research assumed that a CSR dialog was related to tweets that contained CSR related words and content, as previous research on social media has done (Araujo and Kollat, 2017). Based on the topics emerged, each topic will be assigned score on Likert scale.

CEOs ethical standards orientation: Content analysis will be used and topic modelling will be applied on tweets of CEOs. Based on the themes generated from topic modelling, each topic will be assigned a scores on Likert scale if they belong to CEOs ethical standard orientation or not. This research assumed that the tweets which shows CEOs concern for Integrity, commitments, fairness, responsibility, values, long term relationships with customer and clients, reliable standards, rewards performance in a fair manner, modesty, codes of ethics in organisation, ethical work culture, rules, regulations and transparency etc. will be considered in the category of CEOs ethical standard orientation based on the literature review (Wu, L., et al., 2015). The tweets in which CEOs shows happiness for the success of the business and organization as well as concern for employees were also kept in this category.

CEOs Communication Strategies: As per the previous studies conducted **(Etter, 2014)** each tweet will be categorized in to three categories engaging, reacting and broadcasting strategy. Tweets that contained mentions to other users, used pronouns engaging the audience (e,g “you” and “your”) or contained questions will considered to belong to the engaging strategy. All tweets that were replies to other users will be considered to belong to reacting strategy. All remaining tweets will be considered

in broadcasting strategy. In other words, when CEOs simply disseminate the information about CSR and do not react to the questions, they pursue a broadcasting strategy. Broadcasting strategy is characterized by one – way communication. CEOs who use broadcasting strategy have no interest in interacting with different stakeholders on Twitter. CEOs who use broadcasting strategy aim to inform stakeholders about their CSR efforts and as well their ethical standards. With broadcasting strategy, CEOs can achieve benefits from their efforts, such as good online reputation, but without actively listening to engaging with other Twitter members, mutual understanding and benefits are hardly achieved. In relation to broadcasting strategy, the reactive strategy is characterized by high responsiveness. CEOs who use reactive strategy do not approach other Twitter users directly but respond to questions or remarks concerning CSR and ethical standards issues. With reactive approach CEOs can develop and manage relationships with other stakeholders on Twitter to a certain degree. Reactive strategy is characterized by two-way communication; interaction with a reactive communication approach (answers to questions and remarks). Finally, CEOs with engagement strategy disseminate information towards targeted members using @ mentions to other Twitter users and engage other stakeholders by asking questions from other Twitter users. Engagement strategy is characterized as two-way communication interaction with a proactive communication approach (questions as well as approach of other Twitter members) (Araujo & Kollat, 2018).

Dependent Variables: The dependent variables in this study will be the (1) Online reputation, measured as the total number of retweets and likes CEOs tweets received. (2) Customer satisfaction measured as polarity score of comments posted by different stakeholder's or other tweeter users on CEOs Tweets and (3) financial performance measured as Tobin's Q, EPS, ROA and ROE.

Table 1: Review of Literature

S.No.	Author(s)	Year	Title	Name of the Journal	Objectives	Findings
1.	Grover P., Kar, A.K, & Ilavarasan, P.V.	2019	Impact of corporate social responsibility on reputation – Insights from tweets on sustainable developments goals by CEOs	International Journal of Information Management	To explores how CSR messages on social media impacts corporate reputation.	The study found that social influencer CEOs are having tremendous amount of influence on Twitter. The social influencer CEOs has posted 5.97 times more CSR messages

						on Twitter as compared to fortune CEOs, which in turn has led to better CR in terms of shares and likes by social capital present on Twitter.
2.	Joplin, T., Greenbaum, R.L, Wallace, J.C., & E.D, B.	2019	Employee entitlement of, engagement and performance: The moderating effect of Ethical leadership	Journal of Business Ethics	The authors investigated the implications of employee entitlement in organizational settings.	They identified that the negative relationship between employee entitlement and workplace engagement is strengthened when ethical leadership is low, yet mitigated
3.	Rhou, Y., &Singal, M.	2019	A review of the business case of CSR in the hospitality industry	International Journal of Hospitality Management	The researcher, reviewed the research on CSR and its rationale by analysing its impact on the environment, employees, customers, community, and investors in the hospitality industry.	The researcher identified the impact of CSR towards the environment on operating profitability (in a long term) and customer and product market performance is found. They also found that the relationship between stock market and overall CSR seems complicated, while CSR towards both employees and communities is not fully established.
4.	Lijuan Baia, Xiangbin Yana , Guang Yua	2019	Impact of CEO media appearance on corporate performance in social media	North American Journal of Economics and Finance	The researcher investigated the impact of CEOs' media appearance in social media on corporate performance (financial performance) has received little research attention.	The results showed that the media transmission and media searching attention indexes have significant positive effects on corporate performance. The media sentiment and user searching attention indexes have significant negative effects on corporate performance; however, the same

						effect was not observed for media coverage
5.	Atul Kumar Singh	2020	Is Firms' Social Media Engagement Informative about Firm Performance?	The George Washington University	Researcher examined whether the intensity of followers' engagement with firms on social media is informative to capital market participants.	Analyses reveal that changes in engagement volume incrementally explain sales growth and unexpected sales growth. The findings also suggested that the observed results are not driven by investor attention.
6.	Sunghun Chung	2020	Financial Returns to Firms' Communication Actions on Firm-Initiated Social Media: Evidence from Facebook Business Pages	Information systems research	Researcher investigated the financial returns to firms' communication actions on a firm-initiated social media platform by focusing on Facebook Business pages. To this end, we conceptualize and quantify two types of firms' communication actions on social media: posts and responses to customer messages.	The volume and timeliness of a firm's responses to negative customer messages, which are associated with an increase in customer satisfaction, have a significant positive impact on the firm's market performance, measured by abnormal returns and Tobin's q.
7.	Lijuan, B., & Xiangbin., & Y.	2020	Impact of firm generated content on firm performance and consumer engagement: Evidence from social media in China	Journal of Electronic commerce research	Researcher examined the relationship between social media marketing, measured by firm-generated content, and firm performance and consumer engagement	The results showed that Informative and Persuasive firm-generated content have significant impacts on firm performance in direct ways.
8.	Platanova, E., Asutay, M., Dixon, R., & Mohammad, S.,	2018	The impact of corporate social responsibility disclosure on financial performance: Evidence from the GCC Islamic Banking sector	Journal of Business Ethics	Examined the relationship between CSR and financial performance for Islamic banks in Gulf Cooperation Council (GCC) region.	The findings indicated that there is a significant positive relationship between CSR disclosure and the financial performance Islamic banks in GCC countries.
9.	Berraies, S. &Bchini, B.	2018	Effect of leadership styles on financial	International Journal of Innovation	The researcher investigated the effect of transformational	The study revealed that the transformational

			performance: Mediating roles of exploitative and exploratory innovations case of knowledge – Intensive firms	Management	and transactional leadership style on firm's financial performance in a context of knowledge intensive firms and the mediating role of exploitative research was conducted.	leadership style is a key determinant of exploitative and exploratory innovations and firm's financial performance.
10.	Surroca, J., Tribo, J.A., &Waddock, S.,	2018	Corporate responsibility and financial performance: The role of Intangible resources	Strategic Management Journal	In this paper, researcher examined the effects of a firm's intangible resources in mediating the relationship between corporate responsibility and financial performance.	The result indicated that there is no direct relationship between corporate responsibility and financial performance – merely an indirect relationship that relies on the mediating effect of a firm's intangible resources.
11.	Platanova, E., Asutay, M., Dixon, R., & Mohammad, S.,	2018	The impact of corporate social responsibility disclosure on financial performance: Evidence from the GCC Islamic Banking sector	Journal of business ethics	Examined the relationship between CSR and financial performance for Islamic banks in Gulf Cooperation Council (GCC) region.	The findings indicated that there is a significant positive relationship between CSR disclosure and the financial performance Islamic banks in GCC countries.
12.	Cavazotte, F., Moreno, V., &Lasmar, C.C.	2018	Enabling customer satisfaction in call center teams: the role of transformational leadership in the service-profit chain	The service Industries Journal	In this research the researcher analysed the relationship between transformational leadership, team satisfaction and performance, and customer satisfaction	The research findings indicated that front line employees who are more satisfied with their jobs are more likely to achieve higher performance levels and satisfy their customer's needs.
13.	Gunwoo Yoon, Cong Li, Yi (Grace) Ji, Michael North, Cheng Hong & Jiangmeng Liu	2018	Attracting Comments: Digital Engagement Metrics on Facebook and Financial Performance	Journal of Advertising	This study examined how user comments on company Facebook posts influence company revenue.	The hypotheses are tested using static (fixed effects [FE] and random effects [RE]) as well as dynamic (generalized method of moments [GMM]) panel data analyses in econometric methods. The estimation results

						indicate that digital engagement volume, defined as the total number of Facebook comments a company received, has a significant and positive effect on revenue.
14.	Uyar , Ender Boyar and Cemil Kuzey	2018	Does Social Media Enhance Firm Value? Evidence from Turkish Firms Using Three Social Media Metrics	The Electronic Journal of Information Systems Evaluation	This study investigated the impact created upon firm value when social media, in an emerging market context. Social media enables communication with stakeholders in terms of financial and non-financial achievements, as well as issues of organization at low cost, in a direct and timely manner; thus, the study draws attention to the new phenomenon of enhanced value to firms through the use of social media.	The results demonstrated that depth of social media engagement has a significant positive association with firm value; whereas social media account ownership per se, and breadth of social media engagement do not show a viable statistical relationship.
15.	Abidin, A.F., Hashim, H.A., &Ariff, A.M.	2017	Ethical commitments and financial performance: Evidence from publicly listed companies on Malaysia	Asian Academy of Management Journal	In this research, the author explored the role of business ethics towards corporate wealth creation and sustainable performance	The results showed a positive relationship between commitment towards ethics. and financial performance.
16.	Kim, E.H., Youm& Y.N.	2017	How do social media affect analyst stock recommendations? Evidence from S&P 500 electric power companies twitter accounts	Strategic Management Journal	Studied the circumstances under which customer voices significantly affect analyst stock recommendations.	Researcher found that customer-initiated messages matter, directly or indirectly, depending on the message's growth implications. Customer initiated negative messages have a significant impact only with high volume and formal institutions that support customer opinions.

17.	Vo, T.T., Xiao, X., & Ho, S.Y.	2017	How does corporate social responsibility engagement influence word of mouth on Twitter? Evidence from the Airline Industry	Journal of Business Ethics	To examine how a company's engagement in corporate social responsibility (CSR) influences word of mouth (WOM) about the company on Twitter, particularly during a service delay.	This study found that arlines with better CSR engagement receive more positive word of mouth and less negative word of mouth on Twitter.
18.	Araujo, T., &Kollat, Jana.	2017	Communicating effectively about CSR on Twitter	Internet Research	Authors investigated the factors driving the effectiveness of CSR communication on Twitter, with a focus on the communication strategies and elements of storytelling.	Authors highlighted the importance of aspirational talk and engaging users in CSR messages. Furthermore, the study revealed that the companies and brands on Twitter that tweeted more frequently about the CSR were associated with higher overall levels of content diffusion and endorsement.
19.	Kollat, F., &Farache, F.	2017	Achieving consumer trust on Twitter	Journal of Consumer Marketing	This paper identified the gap and evaluated how consumers react to different CSR communication approaches on social media, specifically Twitter.	Author identified that an asymmetric communication approach performs generally better than a symmetric communication approach. However, consumer's involvement and their own personal information processing mechanisms also pay a significant role when evaluating the trustworthiness of corporations.
20.	Abitbol, A. & Lee, S.Y.	2017	Messages on CSR-dedicated Facebook pages: What works and What doesn't	Public Relations Review	This study examined how companies can strategically use corporate social responsibility (CSR) – dedicated pages on Facebook to engage stakeholders.	The result highlighted the importance of topics and dialogic strategies when utilizing CSR-dedicated Facebook pages to engage stakeholders.
21.	JESSICA H.	2017	Accounting	Business	To examined the	Social media has

	YANG and SIWEN LIU Henley		narratives and impression management on social medias	Research	defensive and assertive impression management strategies and the impact of firm performance on accounting narratives by investigating the earnings disclosures of FTSE 100 companies on Twitter.	become the prevailing venue for organisational self-presentation because it provides firms with more control over the image they intend to establish and maintain through the communication and content they deliver online. Our findings show that firms minimise the disclosures of negative information but employ various patterns and dissemination techniques to emphasise positive information. Specifically, improving performers are more willing to post and disseminate earnings-related tweets to achieve a higher degree of stakeholder engagement than declining performers. Based on these findings, we conclude that firms present themselves on social media opportunistically to construct a positive public image.
22.	McWilliam, A., &Siegle., D.	2016	Corporate Social Responsibility and Financial Performance: Correlation or Misspecification?	Strategic Management Journal	In the study, researcher demonstrated a particular flaw in existing econometric studies of the relationship between social and financial performance.	The researcher found that CSR has a neutral impact on financial performance.
23.	Brammer, S., Millington, A.	2016	Does it pay to be different? An analysis of the relationship	Strategic Management Journal	This study explored the relationship between corporate social performance	This study explored the relationship between corporate social performance

			between corporate social and financial performance		(CSP) and corporate financial performance (CFP) with in the context of a specific component of CSP: corporate charitable giving.	(CSP) and corporate financial performance (CFP) with in the context of a specific component of CSP: corporate charitable giving.
24.	Malik, M.S., &Kanwal, L.	2016	Impact of corporate social responsibility disclosure on financial performance: Case study of listed pharmaceuticals firms	Journal of Business Ethics	This paper examined the impact of corporate social responsibility disclosure on financial performance in a case study of listed Pharmaceutical Firms in Pakistan	The result of the content analysis revealed that GSK Pakistan laboratories involved in greater level of disclosure as compared to other pharmaceutical firms. The average rate of disclosure of listed pragmatical firms is increasing annually. The results also showed that pharmaceutical firms mostly disclose information regarding community involvement.
25.	Chanchal B.T	2016	Essays on social media and firm financial performance	Ph.D thesis, The University of Iowa	To identify the impact of social media content on firm's stock returns. Five different social media metrics (total comments, total positive comments, total negative comments, proportion of positive comments and proportion of negative comments) were used to see if any those metrics could provide important clues to managers and investors in figuring out firm financial performance.	The researcher found that there is no significant effect on social media metrics on firm quarterly cash flow performance.
26.	Saeidi, S.P., Sofian, S., Saiedi, P., Saedi, & S.P., Saaeidi, S.A.	2015	How does corporate social responsibility contribute to firm financial performance? The	Journal of business research	This study identified the impact of direct relationship between corporate social responsibility and firm performance.	Results showed that positive effect of CSR on firm performance is due to the positive effect of CSR has on

			mediating role of competitive advantage, reputation and customer satisfaction.		This study considered sustainable competitive advantage, reputation and customer satisfaction.	competitive advantage, reputation and customer satisfaction.
27.	Alexander, R.M., & Gentry, J.K.	2014	Using social media to report financial results	Business Horizons	In this research paper, researcher identified the influence of social media on financial performance	They identified the challenges involved for both executives and corporate communication teams. In this research the researcher identified the business use of social media has been trending for several years. With SEC guidance on use of social media for financial disclosures, more firms will enhance corporate information sharing through platforms such as Twitter, StockTwits, Facebook, LinkedIn, and others.
28.	Zhu, Y., Sun, L.Y., & Leung, A.M.	2013	Corporate social responsibility, firm reputation and firmt performance: The role of ethical leadership	Asia Pacific Journal of Managemen	This study investigated the antecedents and outcomes of corporate social responsibility (CSR) and moderating effects of ethical leadership.	The authors found that ethical leadership moderated its own indirect effect on firm reputation via CSR. It had an indirect and positive effect on firm reputation through CSR when ethical leadership was strong but not when it was weak. Secondly, ethical leadership also moderated the indirect effect of CSR on firm performance via from reputation. There was an indirect and positive effect of CSR when ethical leadership

						was strong but not when ethical leadership was weak.
29.	Schniederjans, D., Cao, E.S., &Schniederjans, M.	2013	Enhancing financial performance with social media: An impression management perspective	Decision Support Systems	In this research, the researcher has examined the various problems associated with negative, word of mouth transference of information occurring simultaneously throughout many networks in social media. The researcher also examined the impact of social media usage on Impression management	The results showed that social media have a positive impact on Impression management. The results also showed that social media strengthens organization's communication with various internal and external stakeholders.
30.	Zhu, Y., Sun, L.Y., & Leung, A.M.	2013	Corporate social responsibility, firm reputation and firm performance: The role of ethical leadership	Asia Pacific Journal of Managemen t	This study investigated the antecedents and outcomes of corporate social responsibility (CSR) and moderating effects of ethical leadership.	The authors found that ethical leadership moderated its own indirect effect on firm reputation via CSR. It had an indirect and positive effect on firm reputation through CSR when ethical leadership was strong but not when it was weak. Secondly, ethical leadership also moderated the indirect effect of CSR on firm performance via from reputation. There was an indirect and positive effect of CSR when ethical leadership was strong but not when ethical leadership was weak.
31.	Chuang, A., Judge, T.A., &Liaw, Y.J.	2011	Transformational leadership and customer service: A moderated mediation model	European Journal of Work and Organizatio nal	In this research, the researcher examines how transformational leadership leads to favourable customer	The results revealed that transformational leadership and amplification of pleasant emotions

			of negative affectively and emotion regulation	Psychology	intentions via the mediation of service employees, emotion regulation, job satisfaction, and their service performance an via the moderation of employee negative affectivity.	were more strongly related to the customer outcomes, as mediated through the intervening variables in the model, when negative affectively was high than when negative low.
32.	Lopez, M.V., Garica, A., & Rodriguez, L	2007	Sustainable development and corporate performance: A study based on the Dow Jones Sustainability Index	Journal of Business Ethics	To examine whether business performance is affected by the adoption of practices included under the term Corporate social responsibility (CSR)	The researcher found that firms and investors believe that strategies take sustainability criteria into account have the capacity to create long term value.
33.	Cochran, P., & Wood, R.A.	1984	Corporate social responsibility and financial performance	Academy of Management Journal	The authors identified that the relationship between corporate social responsibility and financial performance is re-examined using a new methodology, improved technique, and industry-specific control groups.	The researcher identified that average age of corporate assets is found to be highly correlated with social responsibility ranking.

Research Gap

After considering literature reviews it has been found that various studies on CSR have been conducted to examine the impact of Corporate social responsibility on the firm performance. But, No one has examined the impact of CSR messages posted and disclosed by CEOs of fortune 1000 companies and Forbes Global 2000 on online reputation, customer satisfaction and financial performance of the firm. This study will investigate the impact of CEOs CSR orientation and CEOs ethical standard orientation in social media on customer satisfaction, financial performance and online reputation of the firm. This study will also explore the impact of CEOs communications strategies about CSR on customer satisfaction, online reputation and financial performance of the firm. This research is based on the assumption that discussion on CSR in social media are the social responsibilities of the CEOs. This research will study how social media platform (Twitter) is being used by the CEOs for CSR disclosures and communication. This research will also explore the importance of social media in communicating and disclosing CSR activities and enhancing online

reputation, customer satisfaction and financial performance of the firm. This study will use CEOs Twitter profiles because the firms operate under the leadership of CEOs. The tweets posted by Fortune CEOs and Forbes Global CEOs will be used because many firms hold multiple Twitter accounts. The companies Twitter account will not be used because this may lead to biases in findings. There are some limitations of accounting as well such as recording only monetary items, time value of money and window dressing or creative accounting. Therefore, Financial performance could not be used as a sole measure of firm performance. This research will be considered financial performance, online reputation and customer satisfaction as a measure of firm performance.

Need of the study

Social media is increasingly used by firms for disclosing information and engaging with stakeholders. This research will try to explore the impact of CEOs CSR orientation on firm's financial performance, online reputation and customer satisfaction. This research will be used to find that how firms can use social media to communicate their position and policies with regards to corporate social responsibility, informing stakeholders about the firm's good intentions and how these disclosure practices via social media can increase financial performance, customer satisfaction and online reputation of the firm. This research will try to explore how CEOs should disclose CSR related information using social media with right communication strategy (engaging, reacting and broadcasting) to increase online reputation, customer satisfaction and financial performance of the firm.

Objectives

1. To identify the impact of CEOs' CSR orientation, ethical standards orientation and communication strategies in social media on online reputation of the firm.
2. To identify the impact of CEOs' CSR orientation, ethical standards orientation and communication strategies in social media on financial performance of the firm.
3. To identify the impact of CEOs' CSR orientation, ethical standards orientation and communication strategies in social media on customer satisfaction.

Hypotheses:

Null Hypothesis H_0 1(a) CEOs' CSR orientation in social media negatively impacts online reputation of the firm.

Alternate Hypothesis Ha1 (a) CEOs' CSR orientation in social media positively impacts online reputation of the firm.

Null Hypothesis $H_0$1 (b) CEOs' ethical standards orientation in social media negatively impacts online reputation of the firm.

Alternate Hypothesis Ha1 (b) CEOs' ethical standards orientation in social media positively impacts online reputation of the firm.

Null Hypothesis $H_0$1 (c) CEOs' usage of communication strategies in social media negatively impacts online reputation of the firm.

Alternative Hypothesis Ha1 (c) CEOs' usage of communication strategies in social media positively impacts online reputation of the firm.

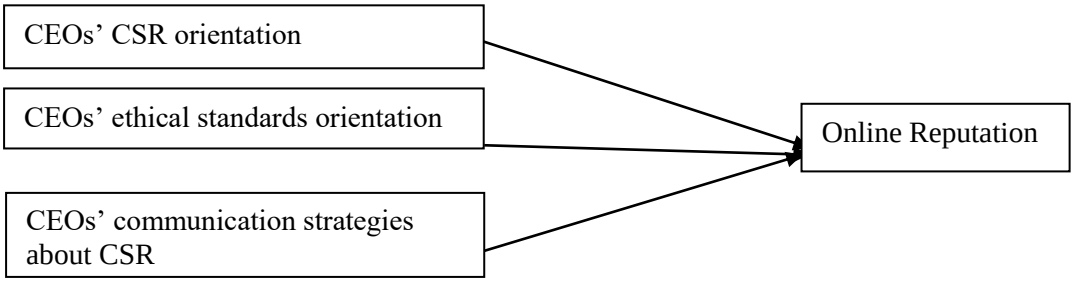

Figure1: Hypotheses

Null Hypothesis: Ho2 (a) CEOs' CSR orientation in social media negatively influences financial performance of the firm.

Alternative Hypothesis: Ha2 (a) CEOs' CSR orientation in social media positively influences financial performance of the firm.

Null Hypothesis: $H_0$2 (b) CEOs' ethical standards orientation in social media negatively influences financial performance of the firm.

Alternate Hypothesis: Ha2 (b) CEOs' ethical standards orientation in social media positively influences financial performance of the firm.

Null Hypothesis: H_0 2 (c) CEOs' usage of communication strategies in social media negatively influences financial performance of the firm.

Alternative Hypothesis: Ha2 (c) CEOs' usage of communications strategies in social media positively influences financial performance of the firm.

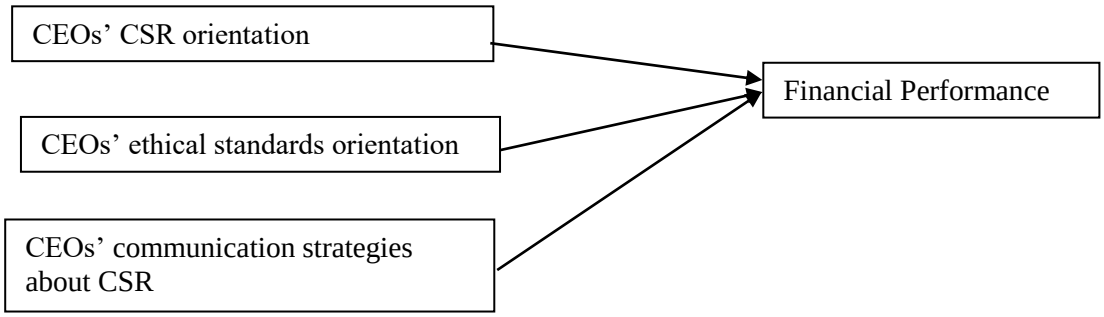

Figure 2: Hypotheses

Null Hypothesis: H03 (a) CEOs' CSR orientation in social media negatively impacts customer satisfaction.

Alternative Hypothesis: Ha3 (a) CEOs' CSR orientation in social media positively impacts customer satisfaction.

Null Hypothesis: H03 (b) CEOs' ethical standards orientation in social media negatively impacts customer satisfaction.

Alternative Hypothesis: Ha3 (b) CEOs' ethical standards orientation in social media positively impacts customer satisfaction.

Null Hypothesis: Ha3 (c) CEOs' usage of communication strategies in social media negatively impacts customer satisfaction.

Alternative Hypothesis: Ha3 (c) CEOs' usage of communication strategies in social media positively impacts customer satisfaction.

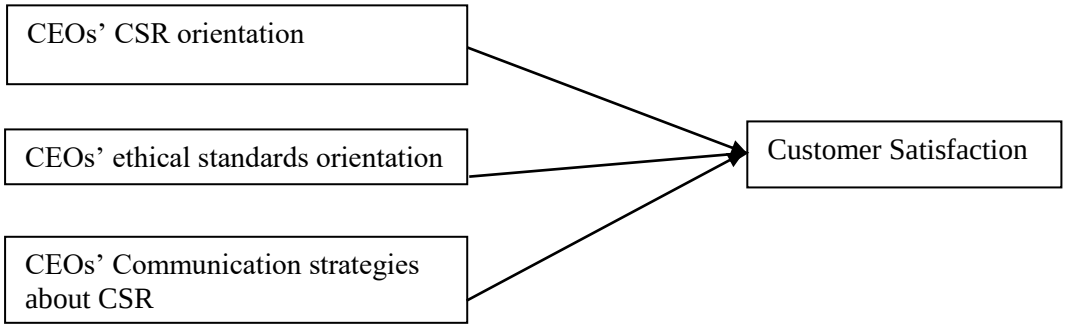

Figure 3: Hypotheses

Research Methodology

To achieve the research objectives following research methodology will be used:

Collection of Data: The proposed research will be based on secondary data.

Secondary Data: This research is based on secondary data. Fortune 1000 CEOs and Forbes Global 2000 CEOs will be searched on Twitter, by putting CEO first name and Twitter within Google search box. Tweets present on the time lines as well as other users' comments/tweets will be extracted from Twitter profiles of CEOs whose Twitter accounts are exist and active. If survey will be used for this study than there is a high probability that respondent of the study, i.e. fortune CEOs and Forbes CEO will not answer the survey. Therefore, research like surveys, focus group and interviews will not be used for exploring the research questions mentioned in the study. Only those CEOs will be considered whose Twitter profile will be available and those who are active on Twitter. Non active CEOs will be removed from the datasets. Twitter profile extraction will be done (Upto 3200 Tweets/profile). Twitter Application program interface (API) will be used to facilitate the data collection for the study. The study will use selective methods of social media analytics. CEOs common in the list of Fortune 1000 and Forbes Global 2000 will be removed from the data set. Topic modelling would be done on individual profile extraction. Content analysis method will be applied on CEOs tweets. It is a technique with which the qualitative data can be converted into quantitative data. Sentiment analysis will be used to the check the positive, negative and neutral online tweets. Financial data of the firms will be collected from global financial data bases like Bloomberg.

Sample Size:1000 Fortune CEOs and 2000 Forbes Global CEOs will be the sample size of the study. Out of Fortune 1000 CEOs and Forbes Global 2000 CEOs only those CEOs will be considered who have an active Twitter account for analysis. Out of 1000 fortune companies 65 CEOs have an active Twitter account. Fortune CEOs sample is very small. Therefore, 2000 Forbes Global CEOs will be included in the sample size. Out of 2000 Forbes Global CEOs approximately 85 CEOs are active on Twitter. Therefore, 150 (approx.) CEOs will be the sample size. The financial data of last three years will be used i.e. 2016-2019 of those companies in which Fortune CEOs and Forbes Global 2000 CEOs are working. CEOs common in both the lists will be removed.

Statistical tools for analysis: Content analysis and text mining will be applied to convert the qualitative data in to quantitative data extracted from twitter account of CEOs. Topic Modeling would be done using Latent Dirichlet Allocation. Sentiment mining may be explored using NLP packages of R/Python. Data will be also analysed by using statistical analysis using approaches like Multiple

regression analysis, Factor Analysis, Anova and Structured Equation Modelling, if applicable, based on nature of data available.

Duration of the study: Past three years data will be used for analysis i.e. 2016-2017 to 2018-2019 from financial database and Twitter profiles of CEOs of the firms. The duration of the study for analysis and interpretation of results based upon collected data will be three or four years approximately. i.e. 2019-2023/2022.

Table 2: Objectives wise research methodology

S. No.	Objectives	Methodology
1.	To identify the impact of CEOs' CSR orientation, ethical standards orientation and communication strategies in social media on online reputation of the firm.	To achieve this objective, Timeline tweets will be extracted from Twitter profiles of CEOs (Fortune CEOs and Forbes global CEOs). The information collected from Twitter will be included actual text of the tweets, when it as posted, whether it was a reply to or retweet of another user, the number of likes, the number of retweets. Only profiles with English tweets will be considered for this study. The dependent variable for this objective is online reputation, measured will the help of number of retweets (shares) and likes. For CEOs communication strategy: Each tweet was categorized as to whether it used the engaging, reacting or broadcasting strategy. Custom script will be used to categorize the tweets as follows. All tweets that were replies to other users will be as follows. All tweets that were replies to other users will be considered to belong to the **reacting strategy.** Tweets that contained mentions to other users, used pronouons engaging in audience (e.g "you" and "yours"), or

		contained questions will be categorized as belonging to the engaging strategy. For measuring this variable for account level, retweets published from other users will also be a part of **engaging strategy**. All the remaining messages will be classified as in **the broadcasting category.** Latent Dirichlet Allocation or LDA algorithm will be used for topic modelling. Based on topics, scores will be assigned on Likert scale to each topic. Multivariate analysis will be used for the analysis.
2.	To identify the impact of CEOs' CSR orientation, ethical standards orientation and communication strategies in social media on financial performance of the firm.	This objective will be achieved as follows: Firstly, Timeline tweets will be extracted from Twitter profiles of CEOs (Fortune CEOs and Forbes global CEOs). The information collected from Twitter will be included actual text of the tweets, when it as posted, whether it was a reply to or retweet of another user, the number of likes, the number of retweets and comments of other users as well. The dependent variable for this objective is financial performance, measured will the help of variables such as Tobin's Q, ROA, ROE and EPS. The content of each tweet was categorized as to whether or not it was about CSR and CEOs ethical standard orientation. This categorization will be performed utilizing topic modelling. For CEOs communication strategy: Each tweet was categorized as to whether it used the engaging, reacting or broadcasting strategy. Custom script will be used to categorize the tweets as follows. All tweets that were replies to other users will be as follows. All tweets that

		were replies to other users will be considered to belong to the **reacting strategy.** Tweets that contained mentions to other users, used pronouons engaging in audience (e.g "you" and "yours"), or contained questions will be categorized as belonging to the engaging strategy. For measuring this variable for account level, retweets published from other users will also be a part of **engaging strategy**. All the remaining messages will be classified as belonging in **the broadcasting category.** To identify the impact of CEOs CSR orientation, CEOs ethical standard orientation and CEOs communication strategy on customer satisfaction in social media. Results will be predicted with the help of multivariate analysis.
3.	To identify the impact of CEOs' CSR orientation, ethical standards orientation and communication strategies in social media on customer satisfaction.	This objective will be achieved with the help of sentiment analysis. Customer opinion and sentiments will be extracted from the pool of qualitative data available on Twitter. Sentiment analysis is an opinion mining tool. It can classify the text into subjective categories (negative, positive and neutral). Timeline tweets will be extracted from Twitter profiles of CEOs (Fortune CEOs and Forbes global CEOs). The information collected from Twitter will be included actual text of the tweets, when it as posted, whether it was a reply to or retweet of another user, the number of likes, the number of retweets and comments of other users. Only profiles with English tweets will be considered for this study. The dependent variable for this objective is customer satisfaction, measured will the

		help of sentiment analysis. For CEOs communication strategy Each tweet was categorized as to whether it used the engaging, reacting or broadcasting strategy. Custom script will be used to categorize the tweets as follows. All tweets that were replies to other users will be as follows. All tweets that were replies to other users will be considered to belong to the **reacting strategy.** Tweets that contained mentions to other users, used pronouons engaging in audience (e.g "you" and "yours"), or contained questions will be categorized as belonging to the engaging strategy. For measuring this variable for account level, retweets published from other users will also be a part of **engaging strategy**. All the remaining messages will be classified as belonging in **the broadcasting category.** Results will be predicted with the help of multiple regression. .Latent Dirichlet Allocation or LDA algorithm will be used for topic modelling. Based on topics, scores will be assigned on Likert scale to each topic. Multivariate analysis will be used for the analysis.

Table 3: Proposed Chapter Plan

CHAPTER	**CHAPTER NAME**
Chapter 1	Introduction
Chapter 2	Review of literature
Chapter 3	Profiles of CEOs and Firms
Chapter 4	Data Analysis & Interpretation
Chapter 5	Future scope and limitations of the research
Chapter 6	Findings, Suggestions & Conclusion
Annexure	Bibliography & References

Reference

Araujo, T., &Kollat, Jana. (2017). Communicating effectively about CSR on Twitter: The power of engaging strategies and storytelling elements. *Internet Research,*28(2), 419-431.

Alexander, R.M., & Gentry, J.K. (2014). Using social media to report financial results. *Business Horizons,*57 (2), 161-167.

Abidin, A.F., Hashim, H.A., & Ariff, A.M. (2017). Ethical commitments and financial performance: Evidence from publicly listed companies in Malaysia. *Asian Academy of Management Journal,*22(2), 53-95.

Abitbol, A. & Lee, S.Y. (2017). Messages on CSR- dedicated Facebook pages: What works and what doesn't. *Public Relations Review,*43(1), 796-808.

Aksak, E.O., Ferguson, M.A.& Duman, S.A. (2015). Corporate social responsibility and CSR fit as predictors of corporate reputation: A global perspective. *Public Relations Review, 42* (1), 79-81.

Bear, S., Rahman, N., & Post, C. (2010). The impact of board diversity and gender composition on corporate social responsibility and firm reputation. *Journal of Business Ethics*, 97(2), 207-221.

Brammer, S., Millington, A. (2008). Does it pay to be different? An analysis of the relationship between corporate social and financial performance. *Strategic Management Journal,*29(2), 1325-1343.

Berraies, S. & Bchini, B. (2018). Effect of leadership style on financial performance: Mediating roles of exploitative and exploratory innovations case of knowledge- Intensive firms. *International Journal of Innovation Management*, 23(03), 1-33.

Bai., L & Yan., X (2020). Impact of firm -generated content on firm performance and consumer engagement: Evidence from social media in China, *Journal of electronic commerce research* 21(1), 56-71.

Bai., L., & Yan., X & Yu., G (2019). Impact of CEO media appearance on corporate performance in social media. *The north American journal of Economics and Finance*, 50, 1-15.

Chen, Z.F., Hong, C., & Li, Cong. (2017). The joint effect of association based corporate posting strategy and eWOM comment valence on social media. *Internet Research*, 27(4), 1-34.

Cochran, P., & Wood, R.A. (1984). Corporate social responsibility and financial performance. *Academy of management journal*, 27(1), 42-56.

Cavazotte, F., Moreno, V., & Lasmar, C.C (2018) Enabling customer satisfaction in call centre teams: the role of transformational leadership in the service-profit chain. *The Service Industries Journals*, 27(1),1-12.

Chuang, A., Judge, T.A., &Liaw, Y.J. (2012). Transformational Leadership and customer service: A moderated mediation model of negative affectively and emotion regulation. *European Journal of work and organizational Psychology*, 21(1), 28-56.

Chung., S., Animesh., A., & Han., K (2020). Financial returns to firm's communication actions on firm-initiated social media: Evidence from Facebook business pages. Information systems research, 31(1), ii-v.

Dutot, V., Galvez, E.L., &Versailles, D.W. (2016). CSR communications strategies through social media and influence on e-reputation: An exploratory study. *Management Decision*, 54(2),363-389.

Esen. E (2013). The influence of corporate social responsibility (CSR) activities on building corporate reputation. *International Business, Sustainability and Corporate social responsibility*. 11(1),133-150.

Etter, Michael (2014). Broadcasting, reacting, engaging – three strategies for CSR communication in Twitter. *Journal of communication management*, 18(4), 322-342.

Huang, J., Li, W., Qiu, C., Hong-Kit, F., & Wan, J. (2016). The impact of CEO servant leadership on firm performance in the hospitality industry. *International Journal of Contemporary Hospitality Management*. 28(5), 945-968.

Grover P.,Kar, A.K, & Ilavarasan, P.V. (2019). Impact of corporate social responsibility on reputation-Insights from tweets on sustainable development goals by CEOs. *International Journal of Information Management*, 39-52.

Joplin, T., Greenbaum, R.L, Wallace, J.C., & E.D, B.(2019). Employee Entitlement, Engagement, and Performance: The moderating effect of ethical leadership. *Journal of Business Ethics*,

Kim, E.H., Youm& Y.N.(2017). How do social media affect analyst stock recommendations? Evidence from S&P 500 electric power companies Twitter accounts. *Strategic Management Journal*, 38 (13), 2599-2622.

Kollat, F., &Farache, F. (2017). *Achieving consumer trust on Twitter via CSR communication. Journal of Consumer Marketing*, 34(6), 505-514.

Malik, M.S., &Kanwal, L. (2016). Impact of corporate social responsibility disclosure on financial performance: Case study of listed pharmaceutical firms of Pakistan. *Journal of Business Ethics*, 150(1), 69-78.

McWilliam, A., & Siegle., D. (2000). Corporate social responsibility and financial performance: Correlation or Misspecification? *Strategic Management Journal*, 21(5), 603-609.

Ministry of corporate affairs, Government of India (2019).CSR in India. Retrieved November 26, 2019 from https://www.csr.gov.in/about-us.php.

Singh., A.k. (2020). Is Firm's social media engagement Informative about Firm performance? (2020). Ph.D. thesis. The school of business of The George Washington University.

Tamrakar, C.B., (2016). Essays on social media and firm financial performance. Ph.D. thesis. Graduate College of the University of Iowa. (2016).

Ugboro, I.O., &Obeng., K. (2000). Top management leadership, employee empowerment, job satisfaction and customer satisfaction in TQM organizations: an empirical study. *Journal of Quality Management*, 5(2), 274-272.

U.S. Chamber of commerce foundation (2017*). How CSR social media sentiment affects your brand reputation*. Retrieved November 26, 2019 from https://www.uschamberfoundation.org/reports/csr-effect-social-media-sentiment-and-impact-brands.

Uyar., A., Boyar., E., & Kuzey., & C. (2018). Does social media enhance firm value? Evidence from Turkish firms using three social media metrics. *The electronic journal systems evaluation*, 21(2), 131-142.

Yi., G.Y., North., M. & Liu., Cheng (2018). Attracting comments: Digital engagement metrics on facebook and financial performance. *Journal of Advertising*, 0(0), 1-14.

Yang., J., & Liu., S (2017). Accounting narratives and impression management on social media. *Accounting and Business Research*, 47(6), 673-694.